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July 22, 2005

HAND DELIVERY

RECEIVED

Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

JUL 2 1 2005

PUBLIC SERVICE

RE:

Joint Application of Louisville Gas and Electric Company and Kentucky
Utilities Company for a Certificate of Public Convenience and Necessity for the
Construction of Transmission Facilities in Jefferson, Bullitt, Meade and
Hardin Counties, Kentucky
Case No. 2005-00142

Dear Ms. O'Donnell:

Enclosed please find and accept for filing the original and ten copies of Louisville Gas and Electric Company's and Kentucky Utilities Company's Objection to Portions of Cathy and Dennis Cunningham Testimony and Motion to Strike in the above-referenced matter. Please confirm your receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copies and return them to me in the enclosed self-addressed stamped envelope.

Should you have any questions or need any additional information, please contact me at your convenience.

Very truly yours,

J. Gregory Cornett

JGC/ec Enclosures

cc: Parties of Record

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:			JUL 2 1 2003
JOINT APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION OF TRANSMISSION FACILITIES IN JEFFERSON, BULLITT, MEADE AND HARDIN COUNTIES, KENTUCKY)))))	CASE NO. 2005-00142	PUBLIC SERVICE COMMISSION

OBJECTION OF LOUISVILLE GAS AND ELECTRIC COMPANY AND KENTUCKY UTILITIES COMPANY TO PORTIONS OF CATHY AND DENNIS CUNNINGHAM TESTIMONY AND MOTION TO STRIKE

Louisville Gas and Electric Company and Kentucky Utilities Company (the "Companies") respectfully object to certain portions of the Direct Testimony of Cathy and Dennis Cunningham ("Cunninghams") and move to strike same. Specifically, the Companies object to the following portions of the Cunninghams' testimony, on hearsay grounds:

- The reference to wetlands designation and statements made by others in that regard, at page 3, lines 13 21;
- The reference to conversations with a purported expert, Petra Pless, at page 5, lines 7 17, together with the documents appended as Attachment 1;
- The Affidavit appended to the testimony as Attachment 2 and the regulations referred to therein and appended as Attachment 3.

All of the foregoing testimony and proffered exhibits are hearsay: statements, other than ones made by the declarant while testifying at the trial or hearing, offered in evidence to prove

the truth of the matters asserted.¹ Hearsay is not admissible except as provided by the Kentucky Rules of Evidence or the rules of the Supreme Court.² The Kentucky Rules of Evidence provide that certain statements, though hearsay, are not excluded by the hearsay rules, but none of those exceptions apply here.

While the Companies are aware that the Commission is not bound by the technical rules of legal evidence in hearings before the Commission,³ the abuse of the hearsay rule in the Cunninghams' testimony is so pervasive as to constitute unacceptable prejudice to the Companies. One of the reasons hearsay is inadmissible is that opposing parties are not in a position to cross-examine the declarants. Such is the case here. The Cunninghams have referred to purported conversations with other individuals, cited to publications for which no reliability or foundation have been established, and attached the affidavit of yet another person, and the Companies have no ability to cross-examine the authors of those documents or the other persons referred to. The result of this is a clear impingement on the Companies' right to due process of law. Not only are the Companies unable to cross-examine the declarants in the Cunninghams' testimony, under the procedural schedule in this proceeding, the Companies do not even have the ability to conduct discovery from the intervenors. Thus, the prejudice to the Companies overrides the statutory provision regarding the general applicability of the legal rules of evidence.

In addition, the Companies object to, and move to strike, the portions of the Cunninghams' testimony relating to environmental issues, which issues are not within the purview of this Commission in this proceeding pursuant to KRS 278.020. For that reason, the

¹ KRE 801(c).

² KRE 802

³ KRS 278.310.

testimony on those issues is irrelevant and should be stricken. Specifically, those portions of the testimony are as follows:

- page 3, beginning with the new sentence starting at line 1 line 21;
- page 4, line 16 page 5, line 17.

For the foregoing reasons, it is respectfully submitted that the hearsay portions of the testimony of Cathy and Dennis Cunningham, and the irrelevant portions relating to environmental issues, as cited above, should be stricken from the record of this proceeding.

Dated: July 22, 2005

Respectfully submitted,

J. Gregory Cornett

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Counsel for Louisville Gas and Electric Company and Kentucky Utilities Company

CERTIFICATE OF SERVICE

This is to certify that the foregoing Objection has been served by mailing a copy of same, postage prepaid to the following persons on this 22nd day of July 2005:

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